

# **HERMANUSDOORNS SHAREBLOCK LIMITED**

**AGM**

**2<sup>nd</sup> October 2010**

# AGENDA

- Welcome
  - Special welcome to all new shareholders
- Attendance Register
- Notice Convening the Meeting and Quorum
  - Appointment of Referee and assistant to administer and count votes
- Apologies and Proxies
- MD's Report

# AGENDA ... cont

- Presentation of Financial Statements
- Ordinary Business
  - Resolutions 1,2, and 3
- Capital Fund Utilisation
- Re-election of Directors
- Update on Business Plan
- General
- Closure
- Lunch – directly after the meeting

# Matters from last AGM

- Card System and voting rights
  - Card colours next year (NOW) will reflect ALL of the outstanding services
  - No exception
  - Farm access WILL be denied to shareholders if they are not FULLY paid up on ALL monies due to the Company
- Deferred due to complexity of change in administration
- WILL be enforced next year

# Matters from last AGM

- New resolutions
  - Last year a few proposals were tabled to be resolutions this year
    - ❖ Change the Permanent Levy structure to be the same as Non-residents rather than a premium
    - ❖ Levy the sites in the mountain and on the river a premium over the others
- Both these motions were withdrawn during the course of the year

# Matters from last AGM

- Farm Manager Arrangement
  - The amount of R 109k is reflected in the AFS for the year ended 28 Feb 2010
  - Segregation of duties implemented
  - Stricter controls and procedures are being implemented on an ongoing basis
- Water System Proposal
  - This project, due to the capital required has not been tabled this year as an alternative, cheaper and more efficient alternatives are still being considered



# **MD's Report**

# MD's Report

- Corporate Governance

- A Key focus of the Board over the last 15 months

- Actions Taken

- ❖ Establishment of an Audit Committee to increase compliance and improve reporting

- ❖ Involved a lot of work, so thanks to

- ✓ Attie (chair)

- ✓ Willie Botha

- ✓ Christo (Auditor)

- ❖ Result – more comprehensive reporting



# MD's Report

- Corporate Governance

- Actions Taken

- ❖ Development of a Approvals framework

- ✓ Details the process of all decisions and levels of Authority at Board level
- ✓ Posted on the Web
- ✓ Better improve transparency

- ❖ Segregation of Duties

- ✓ Farm employees not Directors
- ✓ Inclusion of all activities under the company management
  - Has increased risks

- ❖ Continued implementation of procedures

- ✓ Building activity
- ✓ Authority levels
- ✓ Expenses
- ✓ Detailed monthly operations report circulated to Board members

- ❖ Improved communications

- ✓ Via Web
- ✓ Via Newsletters

# MD's Report

- A key focus of our medium term strategy remains on Fauna and Flora
  - Bush clearing
    - ❖ Good results
    - ❖ Will continue over the medium term
  - Rehabilitation of “Borrow Pits”
    - ❖ New process of managing the “Pit” will be introduced
    - ❖ New processes will be established to optimise “borrowing” and rehabilitation versus the cost
  - Modification of many roads to prevent storm damage
    - ❖ Significant work done on all perimeter roads – improving access and reducing threat of fire
  - Game number control through capture and NOT hunting a continued philosophy

# MD's Report

- Infrastructure improvement
  - Road upgrading remains an ongoing priority
  - Roads into the mountain will be upgraded (strip concrete) to allow better accessibility
    - ❖ Game viewing
    - ❖ Fire fighting and prevention
  - Improved Water system has been identified as a need but is currently on hold
    - ❖ Board seeking cheaper alternatives
  - Continued (annual) veld assessment

# New Procedures

- As discussed last year all work undertaken on the farm will be for the farm and recorded as such.
  - VAT Invoices will be sent from the office
- Created some difficulties in the handover process, especially Electricity
  - Being addressed on “One on One” basis
  - Will be resolved
- Sand usage
  - Still using the “pit” but investigating better ways to manage this resource

# Farm Manager's House

- Private House
- Potential conflict of interest
- Plans and contract signed off by the Board
- Corporate governance
  - Building contract to be audited
  - Reviewed as part of the Audit committee tasks
    - ❖ Attie Du Plessis (Chair)
    - ❖ Willie Botha

# Electricity

- Eskom Charges made up as follows:
  - Service charge
  - Network charge
  - Energy charge
  - Environmental Charge

# Electricity Calculation

Detail	Unit of Measure	Rate		
		Aug '10 <i>Rands</i>	Sept '10 <i>Rands</i>	Mar '11 <i>Rands</i>
Service Charge	Per Day	8.29	9.84	10.82
Network Charge	Per Day	28.77	29.53	32.48
Energy Charge	KWh	0.71	0.95	1.19
Environmental charge	KWh	0.019	0.020	0.022
<b>Average Monthly Usage</b>				
	85000	<i>Rands</i>	<i>Rands</i>	<i>Rands</i>
Service Charge		513.98	610.08	671.09
Network Charge		1,783.74	1,830.86	2,013.95
Energy Charge		60,350.00	80,750.00	100,937.50
Environmental charge		1,615.00	1,700.00	1,870.00
<b>Total</b>		<b>64,262.72</b>	<b>84,890.94</b>	<b>105,492.53</b>
<b>Cost per KWh</b>		<b>0.76</b>	<b>1.00</b>	<b>1.24</b>

# Electricity Tariffs

- Tariff rates
  - Basic Charge
  - **R 30 per month meter and reading charge**
- Usage
  - Current
    - ❖ **R 0.80** per KWh (Plus VAT)
  - From 1<sup>st</sup> October 2010
    - ❖ **R 1.00** per KWh (Plus VAT)
  - From 1 March 2011
    - ❖ **R 1.25** per KWh (Plus VAT)
- Reading every 3 months
  - R 90 Basic charge
  - Usage charge @ above rate



# Game Capture

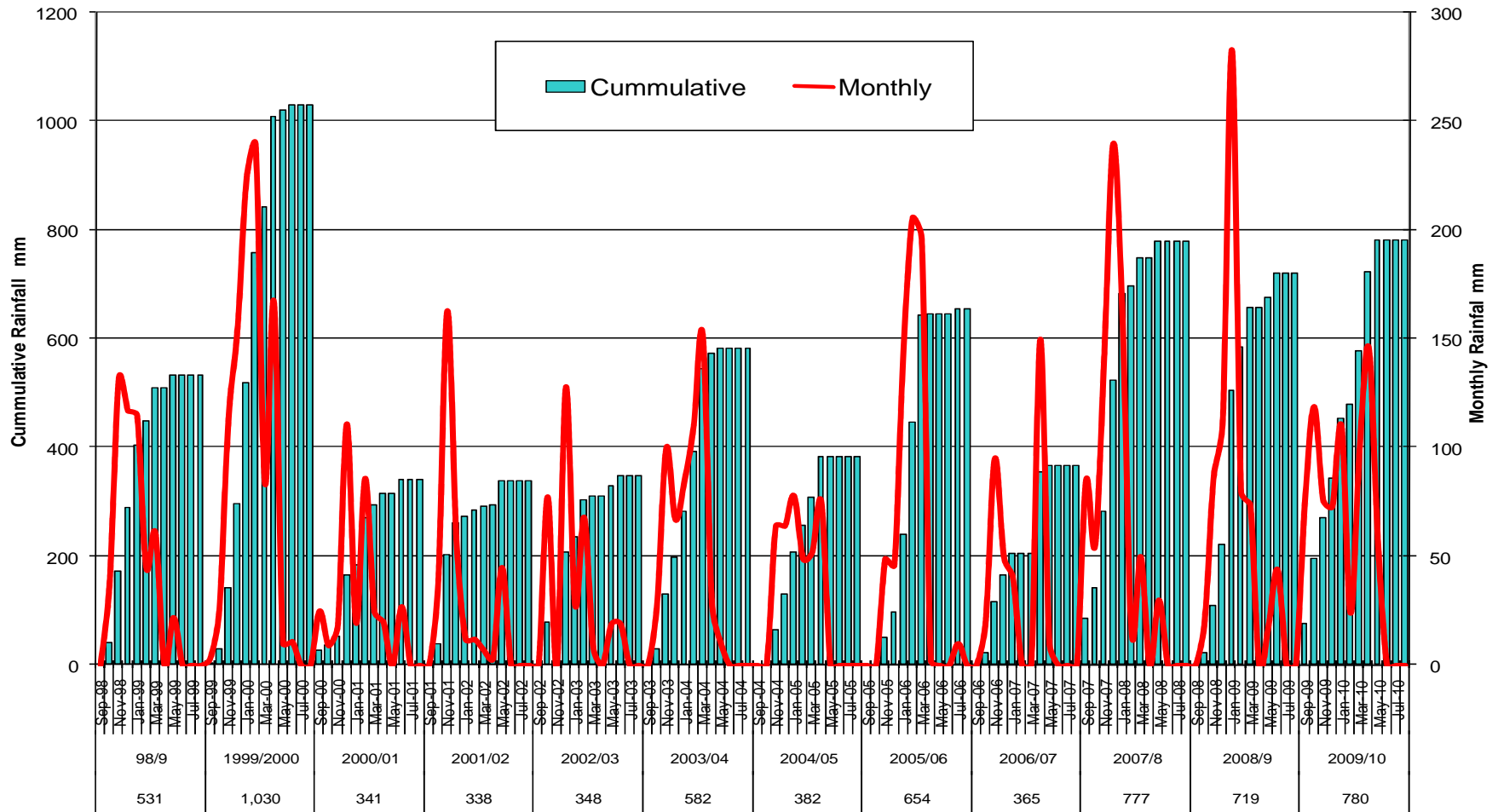
- Game Capture the preferred method of game control
- Culling no longer taking place
- Revenue to be ploughed back into Fauna and Flora – mainly into bush clearing
- 2010/11 net receipts from Game capture were R36k
- No Game capture planned this season
- Next season activity will be dependent on rainfall

# Game Count

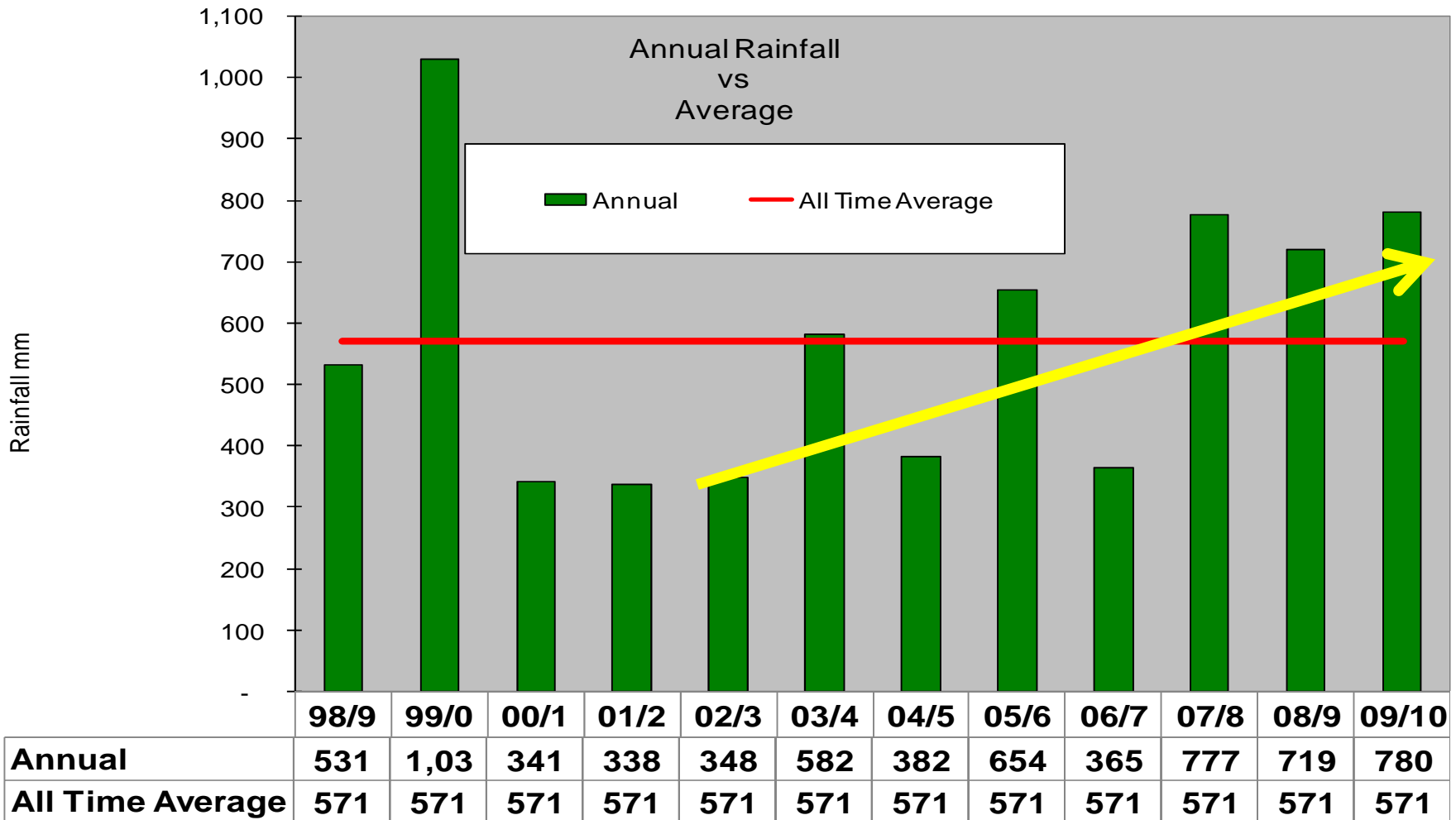
Description	Jun-03	Jun-04	Jun-05	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10
Impala	125	160	190	110	129	125	115	120
Blesbok	30	50	35	25	22	9	9	9
Water Buck	13	16	20	21	30	25	30	25
Kudu	65	80	100	90	101	100	100	115
Giraffe	2	2	5	6	8	12	13	15
Bosbok	20	40	45	40	39	40	40	40
Warthog	25	25	40	40	42	40	40	40
Blouwildebees	24	33	38	40	45	30	35	30
Zebra	9	9	10	9	10	13	15	17
Gemsbok	9	7	7	6	6	5	5	6
Steenbok	11	12	15	16	16	16	16	16
Rooihartebees	19	19	23	21	24	28	30	25
Klipspringer	14	14	15	20	20	20	20	20
Mount Reedbuck				10	10	10	10	10
Eland							5	5
Nyala							1	5

# Rainfall History

HERMANUSDOORNS \_ RAINFALL

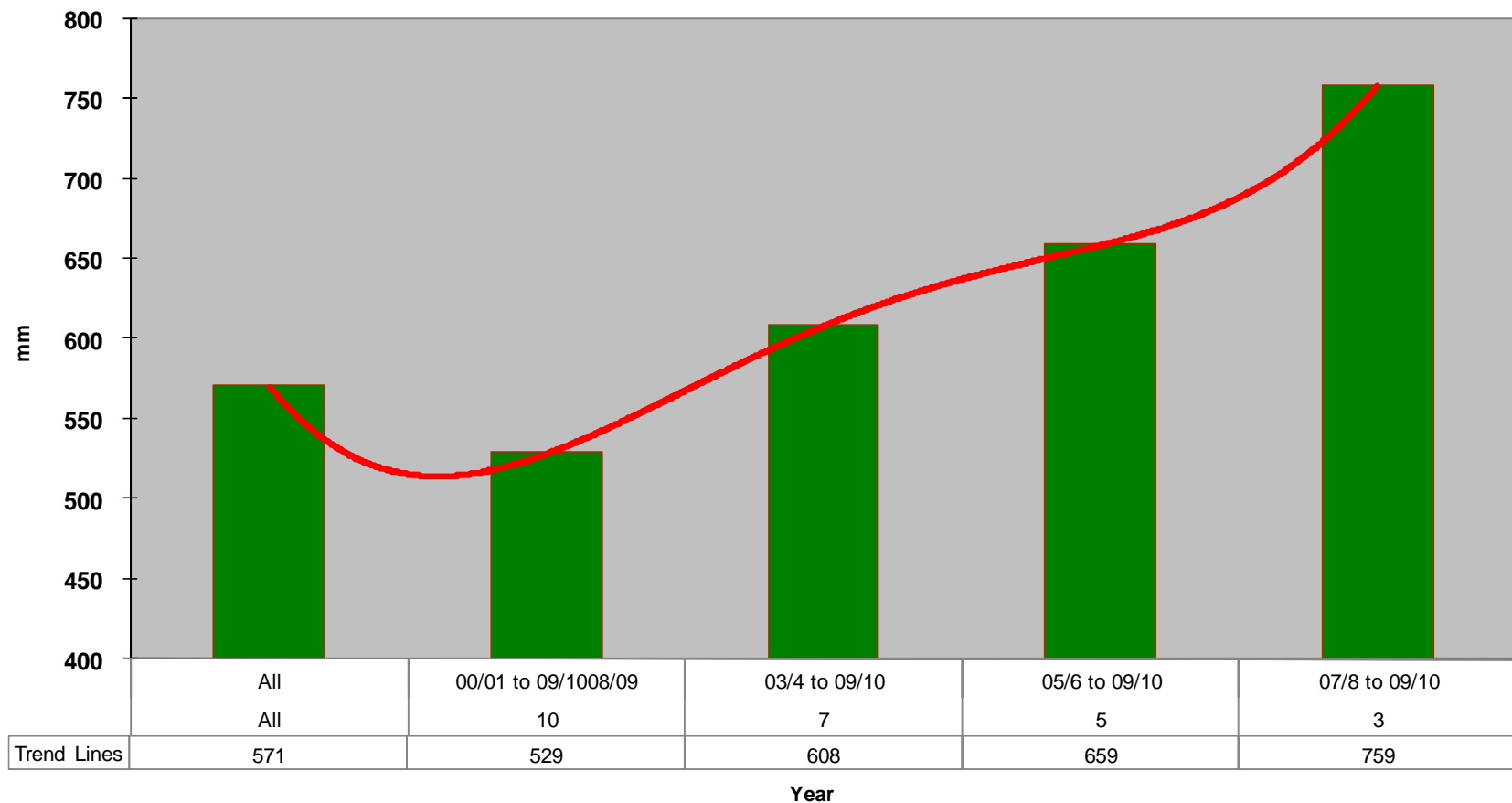


# Rainfall History



# Rainfall History

**RAINFALL HISTORY**  
10, 7, 5, 3 Year Trend Lines

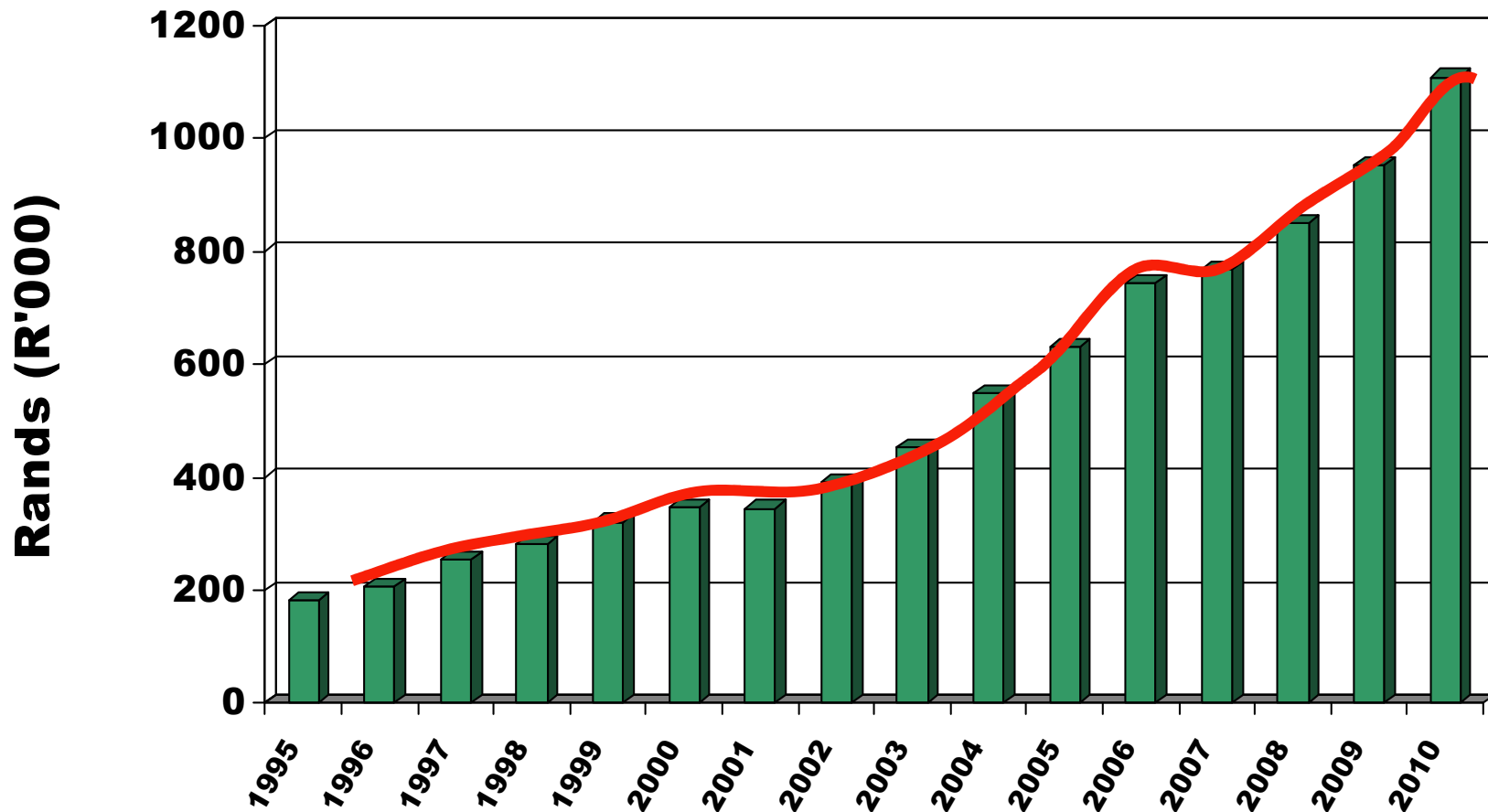




# **The Key Trend Lines**

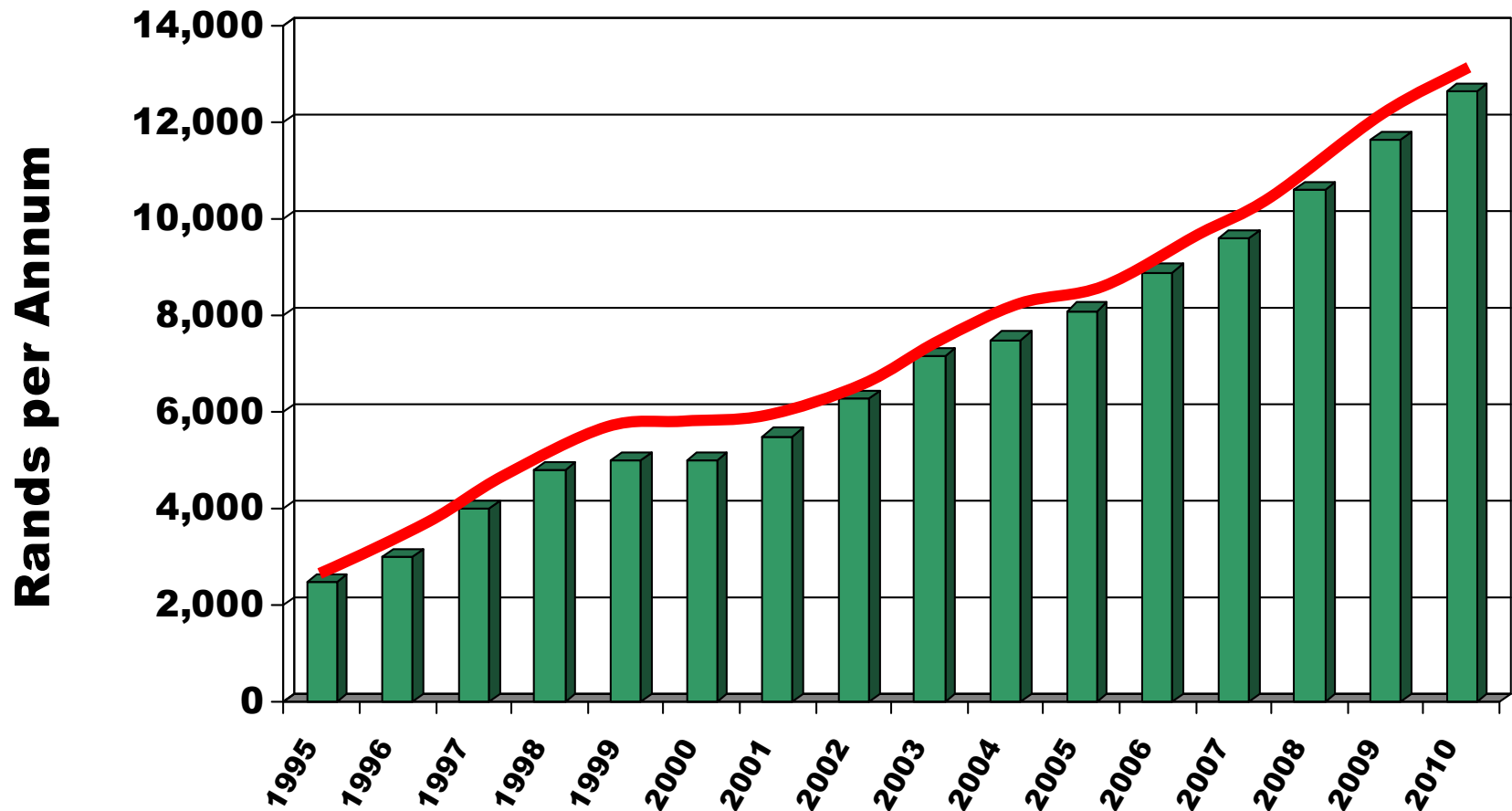
# Levy Income

## Levy Income



# Levy Structure

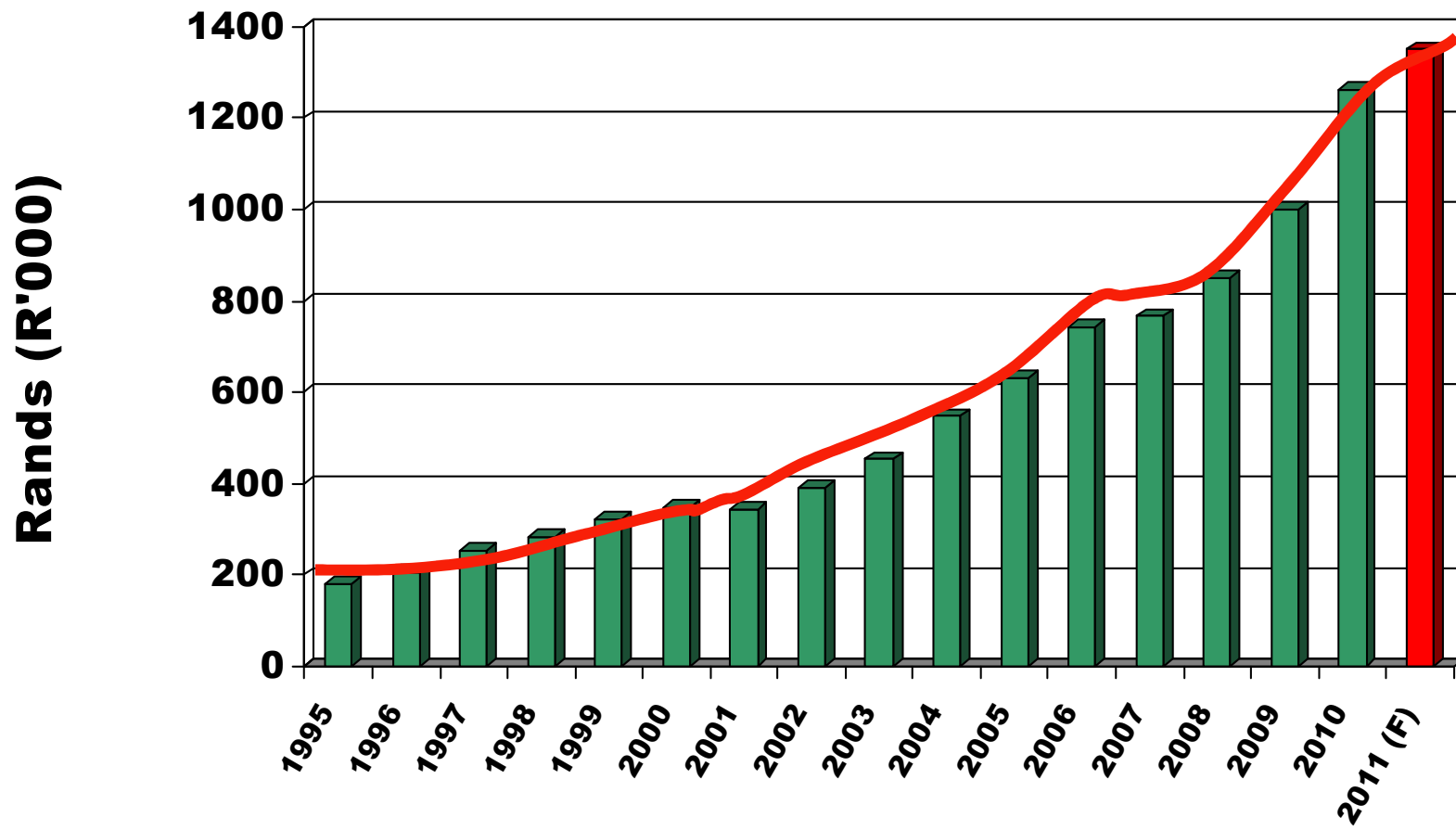
## Levy Structure





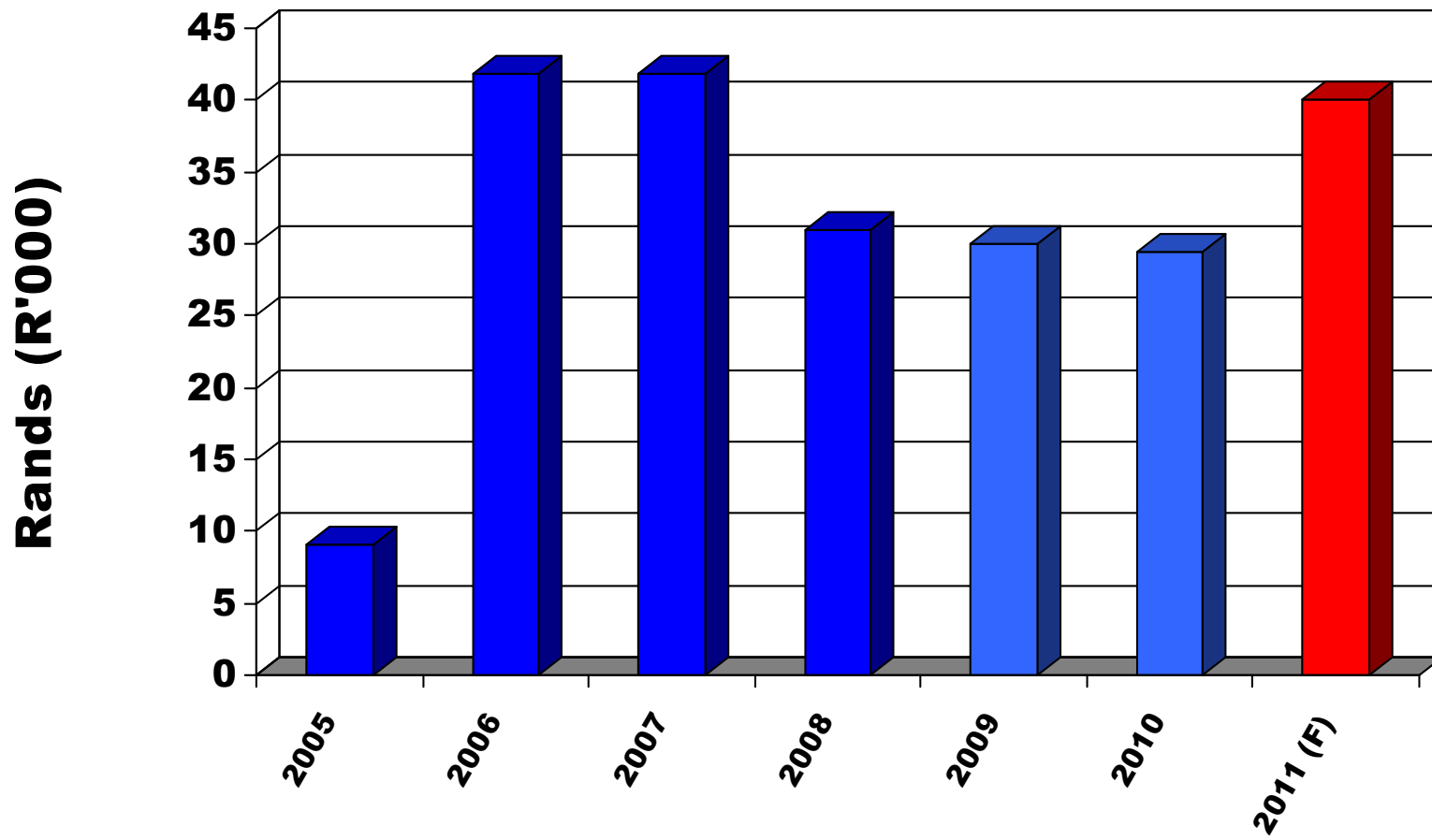
# Levy Income - Budgeted

## Levy Income



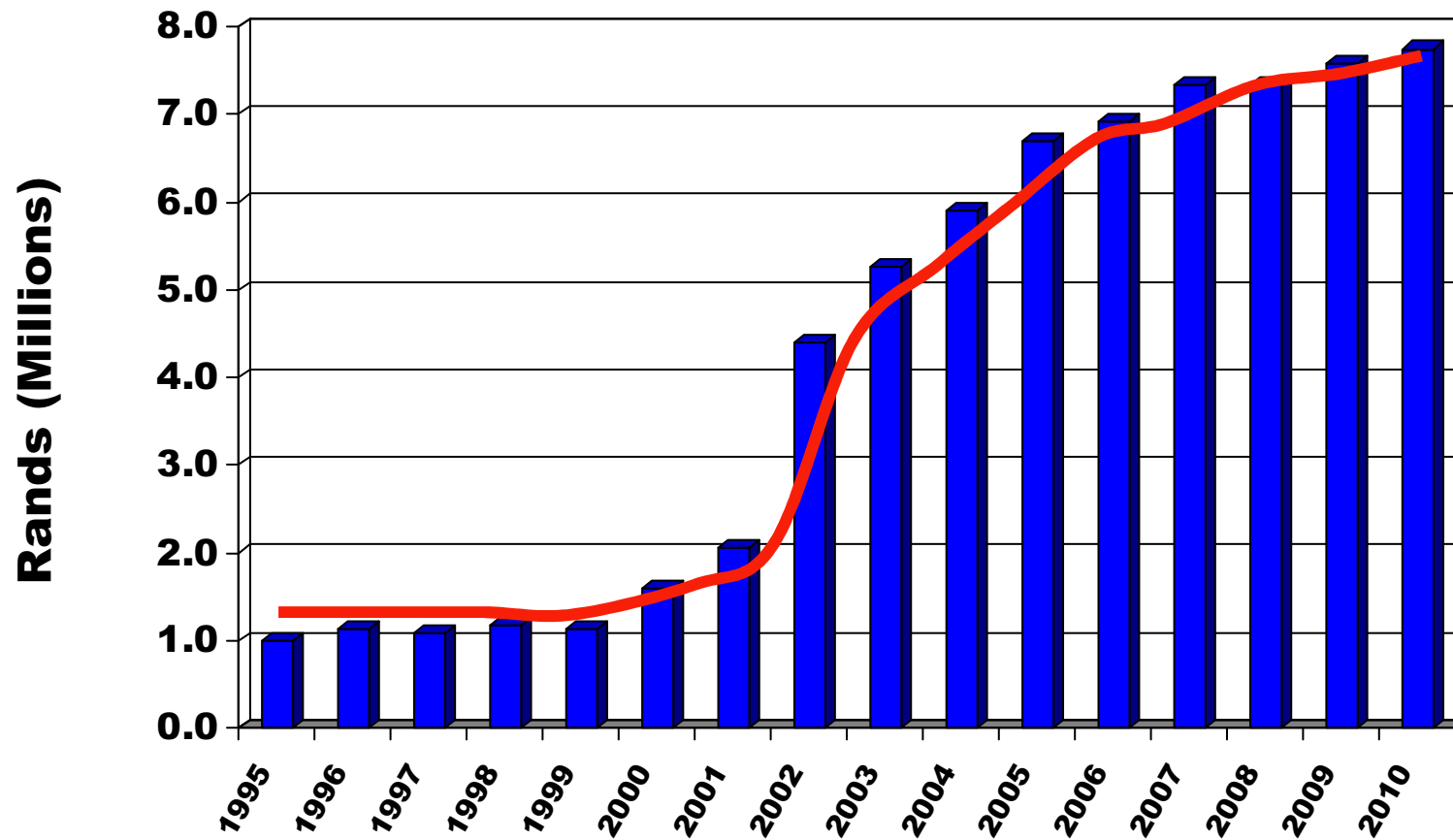
# Investment Income

## Investment Income



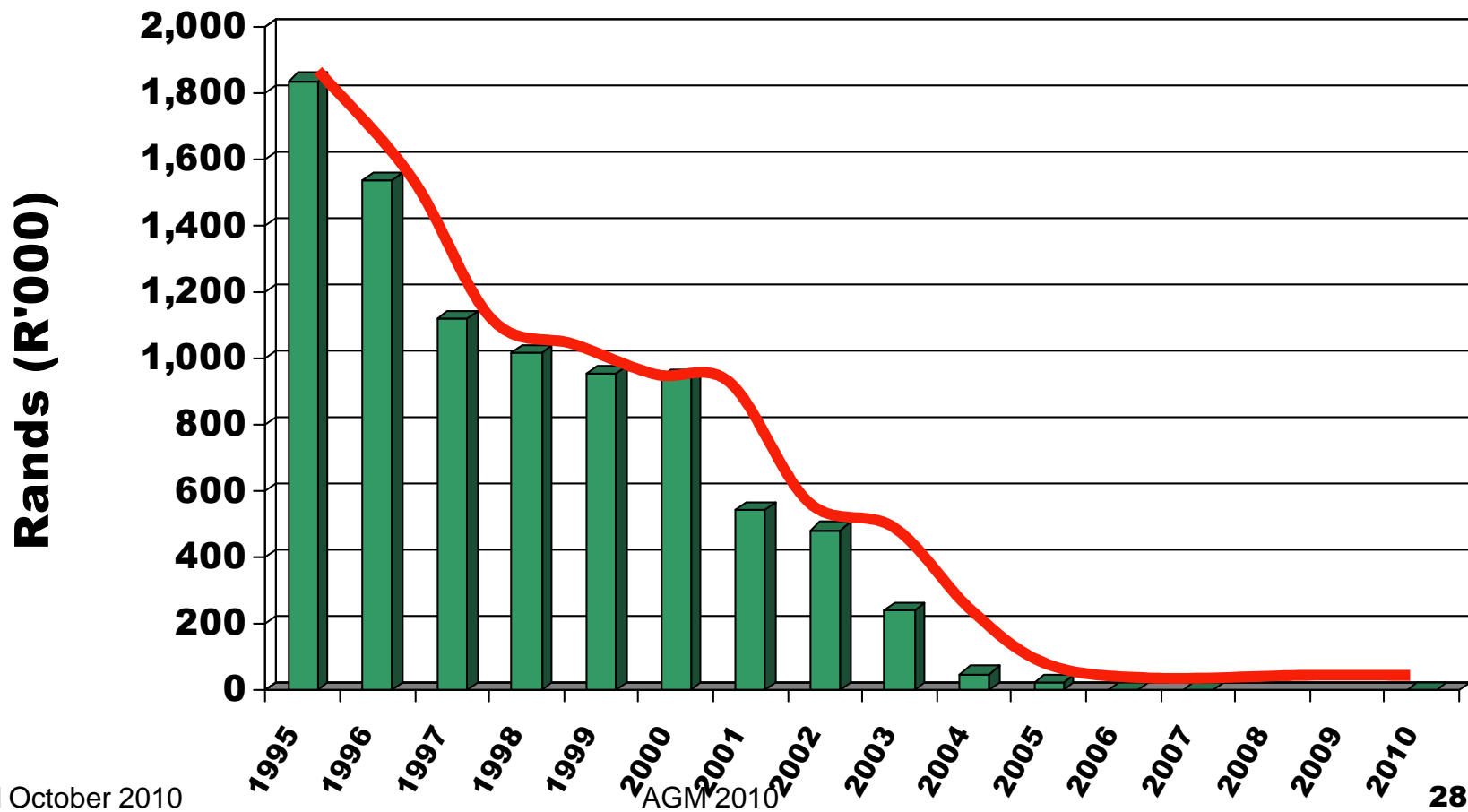
# Growth in Equity

## Capital and Reserves



# Total Debt

## Total Debt

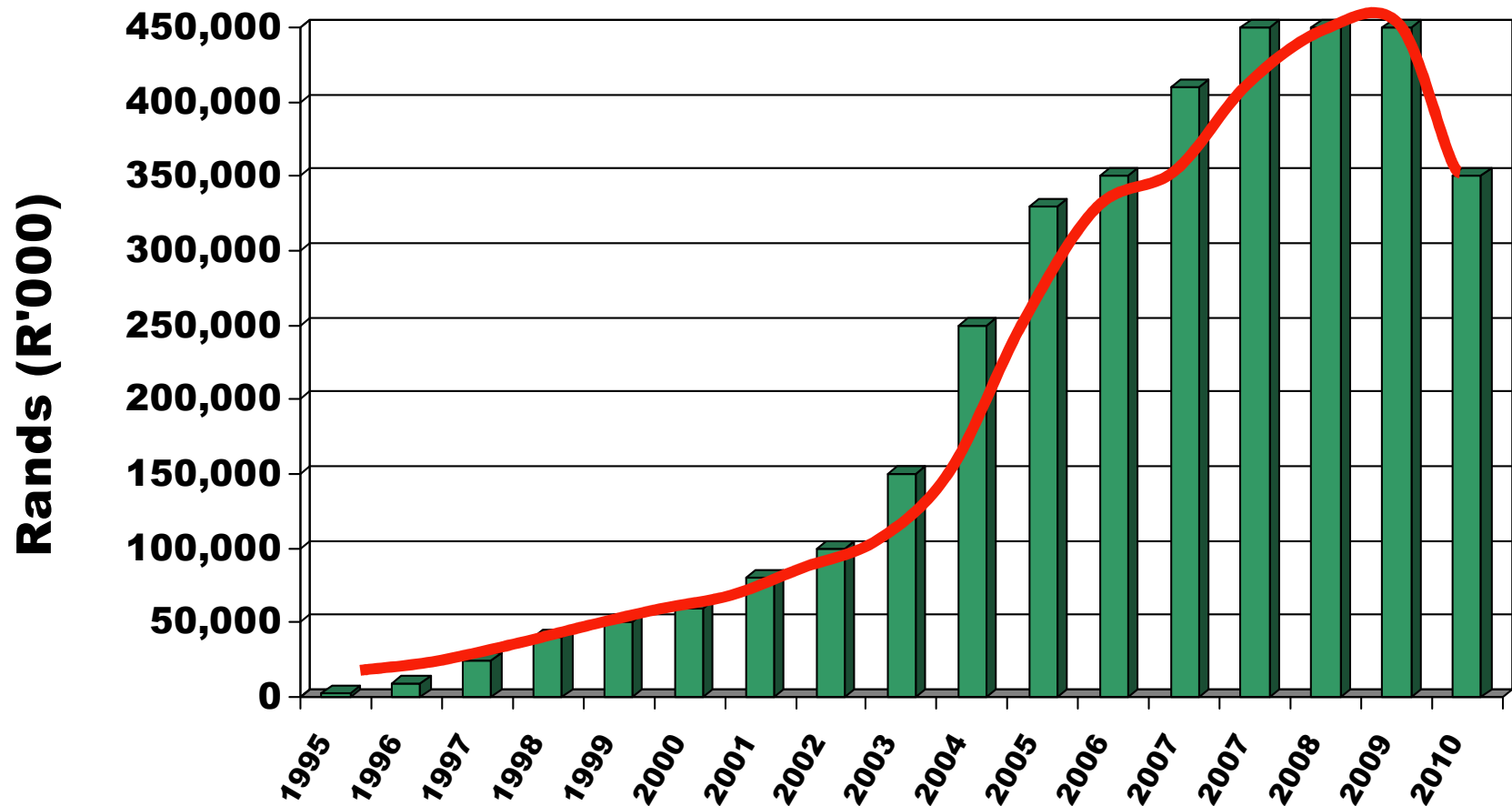


2nd October 2010

AGM 2010

# Share Price

## Share Price



# Key Projects completed

- Swimming pool upgrade
  - Re marbleite
  - Re-paint of rocks
  - Installation of braai area
  - Erection of thatch gazebo's
- Reparation of "Waterbok Pan"
- Upgrade of Leopard Trail and change of start

# Key Projects completed

- Main Road fence upgrade
- Sealing of Porcupine Dam
- Erection of signage
  - Houses
  - Direction Boards
  - Notices
  - Note:
    - ❖ Standardised signage
    - ❖ Made by the Farm (special deal)
    - ❖ Please remove all “non-standard” signs by 21 Dec 2010
- Upgrade of Staff Quarters
- Concrete strip road in Mountain

# Staff management

- Management of the staff rests SOLELY with the Board and its management structure
- All staff report directly to the farm manager who in turn reports directly to the Board
- Shareholders MUST NOT deal with any staff members directly and MUST deal through the established channels
- Staff Quarters are “Out of Bounds” to shareholders



# Unaccompanied Visitors

- Discussed often in order to protect privacy and the shareholders assets
- Visitors **MAY NOT** visit the farm without a shareholder present
- A continual problem
- We will evict these visitors at great embarrassment to the particular shareholder

# Late Levies

- Late levies
  - At 31 March Debtors were R 535k
    - ❖ last year they were R 440k
  - As at 30 September they were still R 191k
    - ❖ Last year they were R165k
- **UNACCEPTABLE**
  - **Sadly – Its often the same people**
- **Cost of late payments = R 5.2 k/month**

# Payment Defaulters

- A continuous problem
- Will adopt a “Zero Tolerance” approach
  - Legal action
  - Auction of assets to recover outstanding payments
  - Inclusive of Services Offered
  - This a Real life Situation – not theory

# Remedies for late payment

## Articles of Association

Lien on shares for all monies owing  
Directors may sell in any manner they see fit  
14 days notice

## Use Agreement

- Members right of use suspended
- Company has first lien
- Directors sell upon terms & conditions they see fit
- 14 days notice
- Immediate ejection

## Conditions of Purchase

- As long as levies overdue, right to access to property and use of unit is **AUTOMATICALLY** suspended
- **Share Block may be sold by Public Auction**
- **Shareholder liable for costs**

# MD's Report

- Year Ended Feb 2010
  - All in all a pretty good year
  - Concern over the number of shares on the market
    - ❖ Attributable to prevailing economic conditions
  - Continuous improvement of the Balance Sheet
  - Continued focus on cost containment
  - Application of an appropriate levy to sustain the business
    - ❖ Added value income now added to income stream

# MD's Report ... Conclusion

- Thank you to
  - The shareholders
  - The auditors
  - The Non Execs
  - My fellow directors
  
- And I look forward to another great year



# Ordinary Business

# Voting Procedure

- All done by Poll
- One share – one vote
- Counting independently done
  - 2 volunteers
  - Board
  - Corresponding totals accepted





# Ordinary Business

# Ordinary Business

- Ordinary Resolution 1
  - Resolved as ordinary resolution #1 to approve the minutes of the Annual General Meeting Held on 8th August 2009



# **Annual Financial Statements**

# 2009 Annual Financial Statements

- At last years AGM
  - Certain reporting changes were required to be made to the 2009
  - The issues were subsequently addressed by the audit committee
  - Resulted in certain adjustments and restatements of the 2009 comparative numbers in the 2010 AFS

# Assets

	Note(s)	2010 R	2009 R
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	7,591,044	7,352,480
Intangible assets	3	155,636	175,090
		<u>7,746,680</u>	<u>7,527,570</u>
<b>Current Assets</b>			
Inventories	4	7,258	11,789
Trade and other receivables	5	1,193,608	1,212,936
Cash and cash equivalents	6	546,680	363,034
		<u>1,747,546</u>	<u>1,587,759</u>
<b>Total Assets</b>		<u>9,494,226</u>	<u>9,115,329</u>

**Property**  
**Up by 3.3%**

**Cash**  
**Up by 10.1%**

**Current Assets**  
**Up by 10.1%**

# Equity and Liabilities

	Note(s)	2010 R	2009 R
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	7	1,710,586	1,711,586
Other reserves	8	2,315,490	2,375,587
Retained income		3,457,861	3,317,718
		<u>7,483,937</u>	<u>7,404,891</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	9	293,420	213,803
Levies in advance	10	1,716,869	1,496,635
		<u>2,010,289</u>	<u>1,710,438</u>
<b>Total Equity and Liabilities</b>		<u>9,494,226</u>	<u>9,115,329</u>

**Up by 4.3%**

**Up by 14.7%**

**Long Term  
Levy**

# Levies Received in Advance

Period	As at 28 Feb '10
1 March 2010 to 28 Feb 2011	1,209,539
1 March 2008 to 28 Feb 2013	18,860
1 March 2009 to 29 Feb 2014	151,096
1 March 2010 to 28 Feb 2015	197,874
<b>TOTAL – Normal Levy</b>	<b>1,577,369</b>
<b>Capital Levy – 1 March 2010 to 28 Feb 2011</b>	<b>139,500</b>
<b>TOTAL</b>	<b>1,716,869</b>

# Use of Capital Fund

Detail	Changes	Balance
<b>Balance - 1 Mar 2008</b>		<b>297,807</b>
Levies - 2009	147,780	455,587
<i>Back Actor</i>	(250,000)	195,587
Levies - 2010	152,237	347,824
<i>Bakkie</i>	(212,234)	135,490
<b>Balance at year 2009</b>		<b>135,490</b>
New Levy – Feb 2010/11	139.500	274,990
<b>Balance at Feb 2010</b>		<b>274,990</b>



# Income Evolution

Detail	2012 Budget	2011 Budget	2010 Actual	2010 Budget	2009	2008
<b>Levies</b>	1,500,000	1,374,347	1,260,869	1,211,691	1,101,537	850,525
<b>Other Income</b>	416,300	383,000	337,347	269,000	299,309	241,885
Investment	45,000	45,000	29,543	45,000	30,520	30,688
Game	50,000	50,000	-	25,000	226,603	67,588
Other	10,000	10,000	7,543		1,018	72,983
Farm Manager	-	-	109,645			
Municipal	162,500	125,000	107,202	75,000	40,919	66,691
Shop and Pub	6,000	5,000	2,648	4,000	249	3,935
Cleaning	26,400	24,000	21,097			
Alarm	26,400	24,000	20,082			
Building & maint	90,000	100,000	30,587	120,000		
<b>TOTAL</b>	<b>1,916,300</b>	<b>1,757,347</b>	<b>1,598,216</b>	<b>1,480,691</b>	<b>1,400,846</b>	<b>1,092,410</b>

# Income and Expenses Analysis

Detail	2012 Budget	2012 (B) vs 2011 (B)	2011 Budget	2011 (B) vs 2010 (A)	2010 Actual	2010 (A) vs 2010 (B)	2010 (A) vs 2009 (A)	2010 Budget	2009 Actual	2009 (A) vs 2008 (A)	2008 Actual
<b>Income</b>	<b>1,916,300</b>	<b>9.0%</b>	<b>1,757,347</b>	<b>10.0%</b>	<b>1,509,216</b>	<b>-7.9%</b>	<b>-23.1%</b>	<b>1,480,691</b>	<b>1,209,626</b>	<b>37.0%</b>	<b>947,904</b>
Standard Levy	1,359,000	10.2%	1,233,347	11.2%	1,108,632	-8.5%	-29.0%	1,070,000	853,817	21.7%	701,622
Capital Levy	141,000	0.0%	141,000	-7.4%	152,207	8.0%	4.6%	141,000	145,500	-2.3%	148,904
Interest	45,000	0.0%	45,000	52.3%	29,543	-34.3%	-3.2%	45,000	30,520	-0.5%	30,688
Other Income	208,800	-2.0%	213,000	6.2%	200,602	-34.8%		149,000	221,870		
Recoveries	162,500	30.0%	125,000	16.6%	107,282	42.9%	162.0%	75,000	40,919	-38.6%	66,691
<b>Operational Expenses</b>	<b>1,905,793</b>	<b>9.7%</b>	<b>1,736,831</b>	<b>14.4%</b>	<b>1,516,075</b>	<b>-10.3%</b>	<b>-19.4%</b>	<b>1,070,409</b>	<b>1,271,128</b>	<b>21.0%</b>	<b>1,050,789</b>
Admin and Auditing	153,070	13.0%	135,460	18.0%	114,791	-31.5%	-40.8%	87,270	81,588	16.6%	69,925
Depreciation	216,000	-10.0%	240,000	0.9%	237,910	-48.0%	-32.7%	160,141	179,296	49.7%	119,738
Employee Costs	693,688	10.0%	630,625	20.0%	525,521	-5.2%	-17.9%	499,333	445,833	22.3%	364,547
Motor Vehicle Expenses	223,483	8.0%	206,929	10.0%	188,117	1.9%	9.0%	184,622	172,554	-16.2%	206,000
Repairs and Maintenance	211,338	8.0%	195,683	10.0%	177,804	-15.0%	-23.1%	154,602	144,544	49.1%	96,923
Utilities	296,069	32.0%	224,295	25.0%	179,436	-13.7%	-24.3%	207,900	144,320	74.6%	82,676
Other	112,145	8.0%	103,838	10.0%	94,398	14.5%	-8.4%	82,469	103,038	-7.2%	110,980
<b>Surplus (Deficit)</b>	<b>10,507</b>	<b>-48.8%</b>	<b>20,517</b>	<b>-74.4%</b>	<b>80,143</b>	<b>-23.1%</b>	<b>191.4%</b>	<b>104,222</b>	<b>27,503</b>	<b>-126.7%</b>	<b>(102,885)</b>

# Income and Expenses Analysis

Detail	2012 Budget	2012 (B) vs 2011 (B)	2011 Budget	2011 (B) vs 2010 (A)	2010 Actual	2010 (A) vs 2010 (B)	2010 Budget
Income	1,916,300	9.0%	1,757,347	10.0%	1,598,216	7.0%	1,480,691
Normal Income	1,916,300	9.0%	1,757,347	18.0%	1,489,216	0.6%	1,480,691
Levy Portion	1,500,000	9.1%	1,374,347	9.0%	1,260,869		1,211,691
One Off					100,000		
<b>Operational Expenses</b>	<b>1,905,793</b>	<b>9.7%</b>	<b>1,736,831</b>	<b>15.0%</b>	<b>1,518,973</b>	<b>10.3%</b>	<b>1,370,469</b>
Admin and Auditing	153,070	13.0%	135,460	18.0%	114,797	31.5%	87,276
Depreciation	216,000	-10.0%	240,000	0.9%	237,910	48.6%	160,147
Employee Costs	693,688	10.0%	630,625	20.0%	525,521	5.2%	499,333
Motor Vehicle Expenses	223,483	8.0%	206,929	10.0%	188,117	1.9%	184,622
Repairs and Maintenance	211,338	8.0%	195,683	10.0%	177,804	15.0%	154,662
Utilities	296,069	32.0%	224,295	25.0%	179,436	-13.7%	207,960
Other	112,145	8.0%	103,838	10.0%	94,398	14.5%	82,469
<b>Surplus (Deficit)</b>	<b>10,507</b>	<b>-48.8%</b>	<b>20,517</b>	<b>-74.4%</b>	<b>80,143</b>	<b>-23.1%</b>	<b>104,222</b>

# Levy Reconciliation

Desc	2009			2010		
	No	Levy	Total	No	Levy	Total
Normal	69	9,298	641,579	71	11,623	825,219
Perm	1	14,877	14,877	5	18,596	55,789
Syn 2	3	12,398	37,193	3	15,497	46,491
Syn 3	2	15,497	30,994	2	19,371	38,743
Syn 4	0	18,596	-	1	23,246	23,246
LT a	9	6,579	59,211	-	6,579	-
LT b	4	7,105	28,421	4	7,105	28,421
LT c	3	7,807	23,421	3	7,807	23,421
LT d	1	8,421	8,421	1	8,421	8,421
LT e	1	9,298	9,298	1	9,298	9,298
LT f	0	11,623	-	3	11,623	34,868
LT g	0			1	15,497	15,497
<b>Totals</b>			<b>853,817</b>			<b>1,108,632</b>

# Anticipated Levy – 2011/12

2011/12 Projected Levy Structure		Rands	Rands	% Incr over 2010/11
Forecast Expenses - 2010/11			1,736,831	
Budgeted Expenses - 2011/12			1,905,793	9.7%
Added Revenue				
	Services	58,800		
	Utilities	162,500		
	Interest	45,000		
	Game (not used)	50,000		
	Other	151,000		
	Building	90,000	557,300	
Adjusted Levy Calculation			1,348,493	9.3%
Levy per shareholder (Non Res)			13,788	9.2%
Capital Levy per annum			1,500	0.0%
<b>Total Levy</b>			<b>15,288</b>	<b>8.2%</b>

# Ordinary Business

- Ordinary Resolution 2

- Resolved as ordinary resolution #2 to receive and adopt the Company's annual financial statements for the year ended 28<sup>th</sup> February 2010, together with the reports of the directors and auditors.

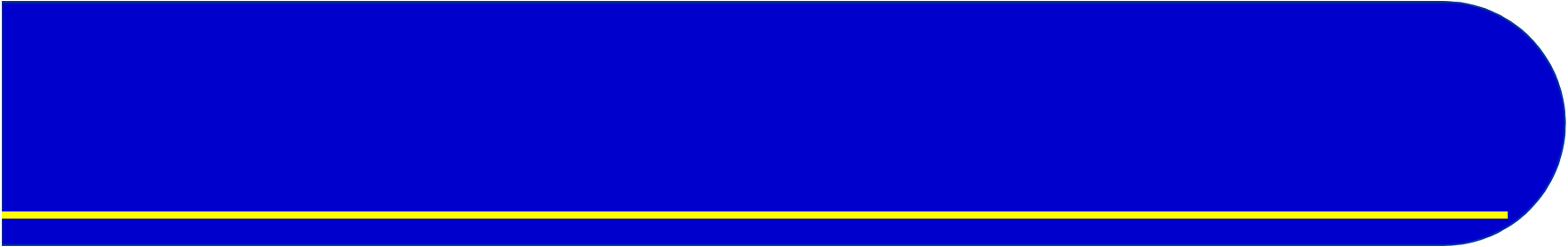
# Ordinary Business

- Ordinary Resolution 3
  - Resolved as ordinary resolution #3 to re-appoint Russel James and Company (Previously Core Chartered Accountants (SA)) as the auditors until the conclusion of the next Annual General Meeting.

# Retirement and Re-election

- Two Directors retire and submit themselves for re-election
  - John Hill
  - Christine Konz
- Done by secret ballot
  - Voting forms were distributed at registration
  - Independent panel to collect ballot papers and count votes
  - Votes FOR = person stays on the Board
  - Votes Against = person removed from the Board
- Meeting to continue
  - Results to be announced prior to conclusion of the meeting





# **Medium / Long Term Plans**

# Long Term Plans

- Financial stability of the Company remains a core objective
  - Levy structure now more in line with budgeted expenses but covers only operational expenses
  - Additional income assisting to reduce Levy burden
  - Capital levy raised regularly
  - Other mechanisms will be considered if and when further land acquisition is agreed to

# Medium to Long Term Plans

- Further Development of Mountain
  - ❖ Improved Road infrastructure
    - ✓ As per proposal
  - ❖ Provide better access to the river
  - ❖ Fire prevention and fighting
  - ❖ As per funding proposal
- New Dam in Breekloof river
  - On completion of excavation of sand for roads, this will be turned into a Dam – “Kudu Dam”
- “Waterbok Pan” upgrade
  - Already underway
- “Porcupine Dam” upgrade
  - Raise level of dam wall
  - Create permanent water
  - Reroute access road

# Medium to Long Term Plans

- Repair to Waterbok Pan
  - Rerouting of road NOT to go over the dam wall
  - Relocation of hide to southern side of the pan
  - Repair to concrete work
- Creation of “Building material” yard next to married quarters
- Reservoir construction – already discussed

# Long Term Plans

- Fauna and Flora Issues
  - A key focus of the Board over the coming years
  - Continued veld management
    - ❖ Sekelbos removal
  - Soil erosion minimalisation
    - ❖ Eastern boundary currently being fixed
  - Sand pit management
    - ❖ Better way to utilise the farm resources in eco friendly manner

# Long Term Plans

- Continual upgrading of Farm Assets
  - Fencing – continuous upgrading and ultimate complete electrification -  
*Continuous*
  - Upgrading of roads to improve drainage and reduce water damage -  
*Continuous*



# General

# General Issues

- Building Procedures
- Procedures for Selling Shares
- Speeding
- Cleaning Services
- Security
- Communications
- Shareholder responsibilities
- Legal issues



# Building Rules

- New set of Building rules drawn up and being considered for implementation, detailing
  - Plan approval
  - Materials allowed
  - Contractor Options
    - ❖ Owner contractor
    - ❖ Private Contractor
    - ❖ Hermanusdoorns
  - Delivery and management of materials
  - Contracting of staff
  - Compliance certificates prior to occupation
  - Insurance

# Building Rules

- Plan approval
  - Plans can ONLY be approved by the Board
  - Must specify
    - ❖ Contractor
    - ❖ Materials
      - ✓ Roof
      - ✓ Exterior walls
  - Process
    - ❖ Submit to Farm manager with site layout
    - ❖ Forwarded to the Board
    - ❖ Reply within 5 weeks

# Building Rules

- Materials allowed – New development
  - Roof
    - ❖ Thatch
    - ❖ Black tiles or slate
  - Outer Walls
    - ❖ Klinker or face brick
    - ❖ Textured plaster from specified options
- Materials Allowed - Extensions
  - Preferably as above
  - Consideration given to “matching” existing buildings – within reason

# Building Rules

- Contractor Options
  - Hermanusdoorns
    - ❖ Preferred route
  - Owner contractor or Private Contractor
    - ❖ Requires involvement of farm Manager and therefore a fee will be charged by the farm to the developer

# Building Rules

- Specific Rules to ALL contractors
  - Contractors must be registered with National Home Builders Registration Council (HNBRC) – proof required
  - All contractors, sub-contractors and staff must be registered with the farm and copies of ID documents submitted prior to commencement of any work.
  - All projects will be registered with the farm BEFORE work is commenced.
    - ❖ A R5,000 deposit must be lodged
    - ❖ This is fully refundable provided the site cleared and necessary certificates are lodged

# Building Rules

- Specific Rules to ALL contractors
  - The Farm will provide site clearance, water (one) connection, electrical (one) connection and sewage connection to the site
    - ❖ These costs will be for the Farm account provided that the site is within 50 meters of an electrical connection point
  - Contractor staff **MUST** obey the rules of the farm
    - ❖ Litter
    - ❖ Speed limits
    - ❖ Open fires
    - ❖ Protection of Fauna and Flora
  - Contracting staff are **FORBIDDEN** to sleep on the site – accommodation will be provided at a reasonable cost (if available)

# Building Rules

- Specific Rules to ALL contractors
  - The Owner assumes FULL responsibility for the actions of the contractor. If the Farm is the contractor, the farm manager assumes responsibility
  - All deliveries of materials to the farm must be pre-arranged with the farm manager at least 24 hours prior to the delivery. A specified time must also be submitted.

# Building Rules

- Compliance certificates **prior to occupation** as follows:
  - Engineers certificate for Foundations and structure
  - Roof certificate
  - Electrical certificate
  - Plumbing certificate
  - Gas installation certificate



# Building Rules

- Insurance

- All contractors **MUST** carry insurance covering Public Liability. Proof of such insurance must be submitted prior to work being undertaken

# Building Refresh

- Update of all:
  - Plans
  - Certificates
    - ❖ Electrical
    - ❖ Engineering
    - ❖ Plumbing
  - Please forward all these by 31 December
    - ❖ After which the farm will contract appointed professionals to undertake this
    - ❖ Cost to shareholder

# Radios

- A frequency change is required
  - All radios submitted to Farm Manager
  - No charge
- Encourage all to get radio connectivity

# Selling of Shares

## 3 parties involved

1. Seller
  2. Purchaser
  3. Hermanusdoorns
1. Enter in a sale agreement with the purchaser
  2. Notify the office of this with any conditions that may apply and which party will pay the costs of transfer (R1200)
  3. Transfer duties ARE payable at the specified rate
  4. Purchaser must enter into agreement with Hermanusdoorns
    - Main Agreement
    - Use agreement
    - Articles and Memo of Association
    - Statutory Information
    - Conditions of Purchase
  5. Electricity Certificate of compliance must be submitted if a dwelling exists
  6. Notify office when transfer can take effect
    - All transfers administered by Hermanusdoorns Limited
  7. Copies of Share certificate will be sent to new owner when registered

# Selling of Shares - Agents

- Sale of shares and Agents provide 4 options
  1. Private sale
  2. Agent appointed
  3. The Farm is appointed the Sole Agent
  4. Joint Agent appointed – Farm and an Agent

# Selling of Shares – Private Sale

- All responsibility lies with the **Seller**
  - Introduction to the farm
  - Explanation of the various agreements
  - Contracting with:
    - ❖ The Purchaser
    - ❖ The Company
  - Liaison with
    - ❖ Deeds Office
    - ❖ SARS
  - Showing the share
    - ❖ Meeting at the farm, etc
- No Involvement from Board, farm manager, farm staff

} **NB**

# Selling of Shares – Agent Only

- All responsibility lies with the **AGENT**
  - Introduction to the farm
  - Explanation of the various agreements
  - Contracting with:
    - ❖ The Purchaser
    - ❖ The Company
  - Liaison with
    - ❖ Deeds Office
    - ❖ SARS
  - Showing the share
    - ❖ Meeting at the farm, etc
- No Involvement from Board, farm manager, farm staff

} **NB**

# Selling of Shares – Farm Only

- All responsibility lies with the **FARM**
  - Introduction to the farm
  - Explanation of the various agreements
  - Contracting with:
    - ❖ The Purchaser
    - ❖ The Company
  - Liaison with
    - ❖ Deeds Office
    - ❖ SARS
  - Showing the share
    - ❖ Meeting at the farm, etc
  - Commission is 1% less than normal agents fees!!!!



# Selling of Shares – Dual Roles

- Responsibilities shared between the **Farm** and the **Agent**
- Agent responsibilities
  - Marketing of the Property
  - Introduction of the proposed seller
  - Liaison with
    - ❖ Deeds Office
    - ❖ SARS
- Farm Responsibilities
  - Introduction to the farm
  - Explanation of the various agreements
  - Contracting with:
    - ❖ The Purchaser
    - ❖ The Company
  - Showing the share
    - ❖ Meeting at the farm, etc
- Commission shared on agreed basis - 50% each

# Shareholder requests

- Change the constitution to allow shareholders to nominate and elect Directors - Peppermans
- Increase in the number of Directors - Peppermans
- Allow syndicate ownership - Moore

# Speeding

- There is a Speed limit on the Farm
  - Speed is 25 Km/h
  - Please observe this
  - Dangerous to both Humans and Animals

# Cleaning & Laundry Services

- Cleaning

- Offered as an added service

- ❖ Deposit of R 500 to be paid to initiate service
- ❖ Accounts payable on presentation of an account
- ❖ Service terminated if outstanding account equals the Deposit
- ❖ ***Note: No cleaning will be provided on the weekends***

- Requested proposals for outsourcing this function

- ❖ None received

# Security

- Security
  - An alarm system is available
  - Request to install radios
    - ❖ Fire Assist
    - ❖ Intruder alert
- Currently response offered by the company at an added cost
  - For two years we have requested proposals as to how best to provide a response
  - None yet received

# Price list for added services (Effective 1 March 2011)

Service	Unit	Ex Vat	Inc Vat
Cleaning - House	Per clean	R 78.95	R 90.00
Cleaning - Yard	Per Clean	R 78.95	R 90.00
Alarm Reaction	Per annum	R 1,666.67	R 1,900.00
Laundry	Per load	R 78.95	R 90.00

**NOTE:**

- **All these services are required to be paid in advance.**
- **Deposits will be held against which costs are deducted – topped up every three months via invoice from the Office**
- **Should deposit be depleted the Services will be suspended**

# “Snoepie” and Pub

- “Snoepie” Trading Hours
  - Weekdays
    - ❖ 16h00 to 17h00
  - Weekends and Public Holidays
    - ❖ 11h00 to 12h00
    - ❖ 16h00 to 17h00
- Pub
  - Trial period
  - Mainly sports events
  - Desire to upgrade “entertainment” to include
    - ❖ Pool
    - ❖ Table Tennis
    - ❖ Darts

# Shareholder Responsibilities

- Everything on your site is your own responsibility
  - Building material
  - Contractors
  - Repairs and maintenance
- Not an obligation of the Farm Manager
  - But will help wherever possible and practical and time permitting
- Levies do NOT cover services offered as assistance to shareholders



# Communication Issues

- Continuous update of our website
  - Vote of thanks to John and Lorna Hill
  - Updated regularly
- Notification of meetings will be posted on the web site and correspondence will be done by email
  - Do away with registered and standard post wherever possible
  - All Correspondence by email – please keep us informed of email address changes
  - Email addresses will not be distributed by the office but you may post your mail address on the website if you so wish
- ~~All statutory info is available on the web site~~

# Important Legal Issues

- Members shall at all times be required to use their firearms as provided for by the relevant legislation from time to time and shall not contravene any laws in so using their firearms
- Members shall not allow unlicensed persons to drive a vehicle on the property
- No un-roadworthy vehicles may be driven by anyone whatsoever on the property
- Neither the Company, nor its directors shall be liable for conduct on the part of members or their families or invitees which contravenes these rules and/or the law

***THIS STATEMENT IS CLEARLY DISPLAYED AT THE MAIN ENTRANCE AND AT THE SWIMMING POOL AREA***

- It must be noted that anybody who commits a delict in his or her personal capacity is personally liable in respect of such delict and that the Company would in any event not be liable in such instance

# Administrative Issues

- Electricity

- Electronic deposits to Hermanusdoorns, Confirmation to OFFICE
- Other deposits made by shareholder
- Proof of payment submitted to OFFICE

- ACCOUNTS SETTLED

- Please settle all accounts ASAP so we can hand over to the office.

# Administrative Issues

- Telephone
  - Common courtesy to be given to Farm Manager
  - Only flag “Urgent” if it really IS urgent
  - Please try use email wherever possible
  - Andre’s email is [a.cochrane@mweb.co.za](mailto:a.cochrane@mweb.co.za)
    - ❖ Don’t send pictures
- Farm Manager time management
  - On for 5 weeks – one week off
  - Not available Sunday mornings
- Use of private generators is **NOT** permitted

# Administrative Issues

- More than one dwelling is not permitted on one site.
- No one may run a business from the farm that interferes with the with the privacy of shareholders or the operation of the farm and without board consent.
- Site responsibility – cleanliness – is the SHAREHOLDER's responsibility

# Other General

- Waterbok Pan
  - Swimming Forbidden
  - Playing is forbidden
- Collection of Wood
  - Do Not remove wood from the farm
  - Buy it from the shop
- Littering
  - Please stop
  - Please stop and pick up litter

# Other General

- Entertainment Area and Pub
  - Only open on special occasions
- Caravans
  - Caravans parked on the property must be in an enclosed garage and may not be used to house persons on the farm.
- Matters to be brought to Board directly and not through the AGM

# Closure

- Thank you for your attendance and input
- Please join us for a light meal directly after the meeting

THANK YOU ONCE  
AGAIN